

Weekly Market Update



Market Data as of Week Ending: 4/5/2024 unless noted otherwise

Stock prices pulled back last week from record highs as there was growing sentiment that an initial interest-rate cut could be pushed into the second half of this year. Minneapolis Fed President Kashkari made headlines by stating that it's possible the Fed might not cut rates this year if inflation continues to show signs of cooling. Small and mid-cap stocks underperformed their large cap peers as market volatility surged to its highest level in more than five months. Style was mixed with large value underperforming large growth. Sector performance within the S&P 500 was mostly negative as nine of the eleven sectors delivered negative results. The health care sector saw the steepest decline as a proposed rate increase for Medicare Advantage plans for 2024-2025 was left unchanged. The energy sector was the best performing sector as oil prices reached their highest level since October on rising tensions between Israel and Iran. Foreign stocks were mixed for the week, with the MSCI EAFE lagging the S&P 500 for the week and trailing by nearly 5% this year. MSCI Emerging Markets delivered a small gain and is underperforming the S&P 500 by more than 7% on a year-to-date basis.

Interest rates moved higher for the week as the 10-year treasury rose 19bps to 4.39% as recent jobs data put further pressure on pushing out interest rate cuts. Fixed income was negative across the curve last week as long-duration government bonds lagged, while short-term corporate bonds held up better. Yields on U.S. Corporate and High Yield Bonds rose, ending the week at 5.45% and 7.99%, respectively.

Economic data for the week was generally favorable, driven by continued strength in the labor market and positive trends in the manufacturing sector. The March ISM manufacturing index increased to 50.3% from 47.8% as new orders and production led the growth. Factory orders rebounded 1.4% in February after two straight monthly declines, driven by strength in non-durable goods. ISM services index fell to a three-month low of 51.4% in March, but remained in expansionary territory. The March employment report saw nonfarm payrolls increase by 303,000 and the unemployment rate dip to 3.8%, a big surprise to the upside and reflected the ongoing strength in the labor market. Inflation data in the Eurozone decelerated more-than-expected, with consumer prices rising at an annual rate of 2.4% versus 2.6%.

U.S. Equity Returns (Size & Style - Russell)

	Week			MTD			QTD			YTD		
	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth	Value	Core	Growth
Large	-1.33%	-0.97%	-0.67%	-1.33%	-0.97%	-0.67%	-1.33%	-0.97%	-0.67%	7.53%	9.22%	10.67%
Mid	-1.58%	-1.61%	-1.69%	-1.58%	-1.61%	-1.69%	-1.58%	-1.61%	-1.69%	6.51%	6.85%	7.65%
Small	-2.65%	-2.86%	-3.07%	-2.65%	-2.86%	-3.07%	-2.65%	-2.86%	-3.07%	0.17%	2.17%	4.28%

U.S. Fixed Income Returns (Quality & Duration - Bloomberg)

	Week			MTD			QTD			YTD		
	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long	Short	Interm	Long
Govt	-0.32%	-0.55%	-3.07%	-0.32%	-0.55%	-3.07%	-0.32%	-0.55%	-3.07%	-0.37%	-0.90%	-6.21%
Corp	-0.26%	-0.56%	-2.41%	-0.26%	-0.56%	-2.41%	-0.26%	-0.56%	-2.41%	0.34%	-0.30%	-4.05%
HY	-0.33%	-0.48%	-0.91%	-0.33%	-0.48%	-0.91%	-0.33%	-0.48%	-0.91%	1.20%	0.97%	1.14%

Index Returns

	Week	MTD	QTD	YTD
Equities (Stocks)				
S&P 500	-0.93%	-0.93%	-0.93%	9.53%
S&P MidCap 400	-1.86%	-1.86%	-1.86%	7.91%
Russell 2000	-2.86%	-2.86%	-2.86%	2.17%
MSCI EAFE	-1.35%	-1.35%	-1.35%	4.36%
MSCI Emerging Markets	0.28%	0.28%	0.28%	2.65%
MSCI EAFE Small Cap	-1.30%	-1.30%	-1.30%	1.07%
Fixed Income (Bonds)				
Bloomberg Int Gov/Credit	-0.55%	-0.55%	-0.55%	-0.70%
Bloomberg US Agg	-1.06%	-1.06%	-1.06%	-1.83%
Bloomberg US High Yield	-0.49%	-0.49%	-0.49%	0.98%
Other				
Bloomberg Commodity	3.54%	3.54%	3.54%	5.82%
S&P Dev Property	-2.79%	-2.79%	-2.79%	-3.20%

S&P 500 Sector Returns

	Week	MTD	QTD	YTD
Consumer Disc	-1.88%	-1.88%	-1.88%	3.00%
Consumer Staples	-2.66%	-2.66%	-2.66%	4.67%
Energy	3.90%	3.90%	3.90%	18.12%
Financials	-1.36%	-1.36%	-1.36%	10.93%
Health Care	-3.05%	-3.05%	-3.05%	5.53%
Industrials	-0.24%	-0.24%	-0.24%	10.71%
Info Technology	-0.98%	-0.98%	-0.98%	11.58%
Materials	-0.14%	-0.14%	-0.14%	8.80%
Real Estate	-2.95%	-2.95%	-2.95%	-3.48%
Communication Svcs	2.50%	2.50%	2.50%	18.72%
Utilities	-0.74%	-0.74%	-0.74%	3.79%

Bond Yields

	4/5/24	3/31/24	3/31/24	12/31/23
3Mo Libor	5.56%	5.56%	5.56%	5.59%
SOFR 3Mo Swap	5.31%	5.30%	5.30%	5.33%
2Yr Treasury	4.73%	4.59%	4.59%	4.23%
10Yr Treasury	4.39%	4.20%	4.20%	3.88%
2-10 Slope	-0.34%	-0.39%	-0.39%	-0.35%

Commodities and Currency

	4/5/24	3/31/24	3/31/24	12/31/23
Oil (\$/barrel)	86.91	83.17	83.17	71.65
Gold (\$/oz.)	2329.75	2229.87	2229.87	2062.98

Past performance is not a guarantee of future results. We believe the information presented is reliable, but we do not guarantee its accuracy.